

Canada has a unique interest in taking an active part in the new diplomacy of East-West relations. The Europeans have their eyes set on a pan-European system, with or without the superpowers. The United States will continue to be the preferred negotiating partner of the Soviet Union in matters of arms control and the control of regional conflicts. Canada risks being on the sidelines in both respects unless it acts vigorously to assert its own interests, which, in any event, are significant. Canada has a large stake in the orderly evolution of the process of change set in motion by Gorbachev's policies. In addition to the potential economic benefits of reduced defence requirements resulting from arms control agreements, Canada, as an exporting nation, could stand to gain from trading opportunities arising in Central Europe.

The working group was impressed by the policies of the Canadian and other Western governments which have been supportive of the process of peaceful and orderly change in the Soviet Union and Eastern Europe initiated by the domestic and foreign policies of President Gorbachev. The group was conscious of the distinctive assets and interests of Canada in contributing to the transition towards a new European order. It was agreed that Canada should maintain its membership in the North Atlantic Alliance, continue to contribute constructively to the process of negotiating balanced arms control and disarmament agreements and, take a leading role in the task of devising a new framework for European security on the basis of the CSCE. At the same time, the group considered that Canada should seize the opportunity to reinforce bilateral ties with the Soviet Union and Eastern Europe. Areas of common interest with the Soviet Union (for example economic development, agriculture and the Arctic) and the existence in Canada of groups of Canadians with strong Eastern European affiliations provide special opportunities for expanding and strengthening bilateral relations with the individual countries.

The group did not attempt to identify specific proposals or policies which Canada should pursue. A principal purpose of the study was to examine the process of change in the East-West relationship in a broader context with only specific references to individual national policies and actions as they influenced or were related to the process of change. It was the group's view that Canada's national interests coincided for the most part with